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February 15, 2008

**VIA ELECTRONIC FILING
AND OVERNIGHT MAIL**

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

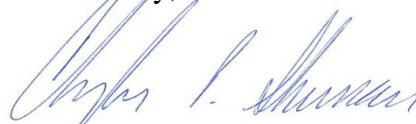
RE: ISO New England Inc., Docket No. ER08-538-000; Filing of Changes to Day-Ahead Load Response Program.

Dear Secretary Bose:

In accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR § 385.211 and § 385.214), the New England Power Generators Association, Inc. hereby respectfully submits its *Motion to Intervene* in the above-captioned docket.

Copies of this transmittal letter and pleading are being sent to each person designated on the official service list in the above-captioned docket.

Sincerely,



Christopher P. Sherman
General Counsel

Enclosures (2)

cc. Service List

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England, Inc.

)

Docket No. ER08-538-000

**MOTION TO INTERVENE OF
NEW ENGLAND POWER GENERATORS ASSOCIATION, INC.**

Pursuant to Rule 212 and 214 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure (18 C.F.R. §§ 385.212, 214), the New England Power Generators Association, Inc. ("NEPGA") hereby moves to intervene as a limited party.

I. INTRODUCTION

The Day-Ahead Load Response Program ("DALRP") was introduced in Market Rule 1 as a part of New England's Standard Market Design ("SMD") on March 1, 2003.¹ The DALRP gives a participant in one of ISO-NE's Real-Time Load Response Programs the opportunity to offer a day-ahead price (in \$/MWh) for a firm amount (in MW per hour) of load reduction it is prepared to deliver in real-time should day-ahead locational marginal prices ("LMP") clear at levels that equal or exceed the participant's offer.²

In its February 5, 2008, filing, ISO-NE proposed modifications to Section III.E.2.2 of Market Rule 1 to adjust the minimum price for DALRP offers from the \$50/MWh level established in 2002 to an indexed figure that appropriately reflects current fuel prices.³ The current fixed minimum offer level, combined with substantial increases in fuel costs over the

¹ The DALRP was implemented in June 2005 by 111 FERC ¶ 61,064 (2005).

² Filing of Changes to Day-Ahead Load Response Program, ISO New England Inc., Docket No. ER08-538-000, at 5.

³ See *Id.* at 2.

past several years, facilitates strategic behavior that has permitted DALRP participants to exaggerate load reductions from their demand response assets, and results in payments for "phantom," rather than actual, load reductions.⁴ ISO-NE contends that "failure to approve this adjustment promptly could perpetuate inappropriate levels of payments to certain DALRP participants, which undermines the integrity of the overall demand response program operated by the ISO."⁵

II. CORRESPONDENCE

NEPGA requests that all further correspondence, communications and other documents relating to this docket be served upon the undersigned as follows:

Christopher P. Sherman, General Counsel
New England Power Generators Association
141 Tremont Street
Boston, MA 02111
(617) 902-2354
csherman@nepga.org

III. MOTION TO INTERVENE

NEPGA is a private, non-profit entity that advocates for the business interests of non-utility electric power generators in New England. NEPGA's member companies represent approximately 25,000 megawatts of electrical generating capacity throughout the New England region. NEPGA's mission is to promote sound energy policies which will further economic development, jobs, and balanced environmental policy. NEPGA's member companies are responsible for generating and supplying electric power for sale within the New England bulk power system. As active participants in the ISO-NE day-ahead and real-time markets, NEPGA's

⁴ *Id.* at 4.

⁵ *Id.* at 2.

member companies have substantial and direct interests in the outcome of these proceedings, and those interests cannot be adequately represented by any other party in the proceeding.


NEPGA hereby moves to intervene as a limited intervener in the above-captioned case pursuant to C.F.R. § 385.214(d).

IV. CONCLUSION

WHEREFORE, NEPGA respectfully requests that the Federal Energy Regulatory Commission accept this filing and grant its intervention in this proceeding.

Respectfully submitted,

**NEW ENGLAND POWER GENERATORS
ASSOCIATION, INC.**



By: Christopher P. Sherman
Its: General Counsel

Dated: February 15, 2008

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

ISO New England, Inc.

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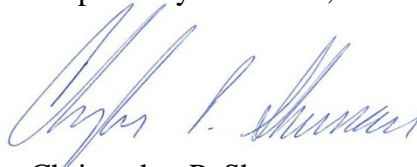
Docket No. ER08-538-000

CERTIFICATE OF SERVICE

Pursuant to the Commission's Rules of Practice and Procedure, I hereby certify that I have this day served a copy of the foregoing document on all persons designated on the official service list compiled by the Secretary in this proceeding.

Dated at Boston, Massachusetts on this 15th day of February 2008.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christopher P. Sherman".

Christopher P. Sherman
General Counsel
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Boston, MA 02111
(617) 902-2354
csherman@nepga.org